



Briefing note

To:	Council	Meeting:	March 21, 2025
From:	Pree Tyagi, Registrar & CEO	Date:	March 13, 2025
Subject:	By-law amendments re fee increase		
Purpose:	<input checked="" type="checkbox"/> Decision <input type="checkbox"/> Direction to staff <input type="checkbox"/> Discussion <input type="checkbox"/> Information		

Relevance:

- The mandate and values of CMRITO
- Strategic Goal #1 – Advancing patient-centered care through collaboration with health care partners
- Strategic Goal #2 – Empowering safe, effective, and ethical practice
- Strategic Goal #3 – Delivering effective regulatory practices
- Operations
- Governance

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- Attachments:**
- Draft By-law Amendments
 - Report to Council on Fee Review and By-law Amendments presented on September 20, 2024
 - Briefing Note on Consultation for Proposed Annual Registration Fee and accompanying Reports presented on October 9, 2024
 - Report to Council on CMRITO Registration Fee Update presented on December 6, 2024
 - Video of Presentation by its External Auditor on December 6, 2024 (<https://youtu.be/SidVsOGalWg>)
 - Presentation by Legal Counsel Sarah Yun on December 6, 2024
 - Council Resolutions on fee matters in 2024: September 20, October 9, and December 6
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Registrants receive Insights directly to their email address.

- Excerpt from Insights Fall 2024: Know your College - What does CMRITO do? Why doesn't the CMRITO advocate for MRITs? Why do I need to pay CMRITO a registration fee?
 - Excerpt from Insights Winter 2025: Know your College - If the number of CMRITO registrants has increased, why does the College need to raise fees? Doesn't more registrants mean more revenue?
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Background

The College's independent auditor and the Finance and Audit Committee reported that the 2023 operations had resulted in a deficit (negative unrestricted net assets balance), that there had been deficits in the previous two years, and that deficits are projected for upcoming years. These deficits are unsustainable. On September 20, 2024, Council approved the circulation of a by-law amendment increasing annual fees on a one-time basis from \$470 to \$643 to bring financial stability to the College. See the Report to Council on Fee Review and By-law Amendments presented on September 20, 2024 and the Council Resolutions on fee matters in 2024.

During the consultation period, extensive comments were received opposing the proposed by-law amendment. At a special meeting of Council on October 9, 2024, Council paused the proposal with a commitment to consider the input provided to date and reevaluate the approach to the fee increase. See the Briefing Note on Consultation for Proposed Annual Registration Fee and accompanying Reports presented on October 9, 2024 and the Council Resolutions on fee matters in 2024.

At its meeting on December 6, 2024, Council reviewed the comments on the proposed fee increase and considered various themes from those comments including:

- CMRITO's regulatory public interest role and role confusion
- Registrant low morale and impacts of HHR crisis
- Structure of the proposed increase
- Financial context

Council also received presentations from its independent auditor Blair McKenzie from Hilborn LLP and external legal counsel Sarah Yun. Council directed the Finance and Audit Committee to provide options for a proposed fee increase for its consideration See: Presentation by Legal Counsel Sarah Yun on December 6, 2024 and reproduction of the Report to Council on CMRITO Registration Fee Update presented on December 6, 2024 and the Council Resolutions on fee matters in 2024.

The Finance and Audit Committee, with the support of the independent auditor, is proposing a graduated approach to fee increases:

- \$75 increase to the annual fee in year 1 (from \$470 to \$545);
- \$70 increase to the annual fee in year 2 (from \$545 to \$615);
- \$28 increase to the annual fee in year 3 (from \$615 to \$643); and
- for subsequent years incorporate annual increases based on a macroeconomic indicator such as the CPI, unless the Council decides otherwise for that year.

Additionally, a \$25 increase to the initial application fee is proposed (from \$100 to \$125).

The above fee increases are recommended to come into effect on September 1, 2025.

In making this recommendation, the Finance & Audit Committee is balancing the financial needs of the College against a desire to avoid a one-time large fee increase, being mindful of the financial pressures faced by registrants.

The Committee reviewed by-law provisions of 24 health-regulated colleges and the national associations in the profession to determine what mechanisms other system partners use to manage fee increases. A common method of helping to ensure financial sustainability and to avoid occasional large fee increases is to build into the by-laws a modest cost of living increase each year without the need to amend the by-laws. The process of amending the by-laws involves its own costs, including those related to holding special Council meetings and circulating the proposed revisions. This consistent modest increase also allows the profession to plan accordingly, in that they can anticipate the next year's fees based on the consumer price index, which is usually widely publicized.

Following the College's review of fees by-law provisions of 24 health-regulated colleges, additional fee increases are proposed for certain re-registration and reinstatement fees to align with the practice of other colleges. These would apply only in the specific situations set out in the by-laws at sections 26.13 and 26.14 (e.g., former registrants who were suspended due to non-payment of fees and have not engaged in practice for the last five years, former registrants who have resigned and not engaged in practice for the last five years, and suspended or revoked registrants as a result of a disciplinary or incapacity proceeding).

The proposed wording of the by-law amendments is attached.

At the Council's meeting on March 21, 2025, there will be a discussion of the proposed amendments. The independent auditor, Blair MacKenzie of Hilborn LLP and external legal counsel, Julie Maciura of Steinecke Maciura LeBlanc (SML), will provide information and be available to answer questions. Formal approval of the amendments is being sought at the Council meeting on March 21, with direction to circulate to registrants and system partners for consultation for a period of 60 days. After reviewing the feedback from the profession and system partners, a decision about final approval will be made at a special meeting of the Council after the consultation.

Analysis

Public Interest

Under the *Regulated Health Professions Act* (RHPA), the mandate of the College is to regulate the profession in the public interest. The College does not represent or advocate on behalf of the profession (even though the College consults with the profession and takes the profession's views into account).

Under the RHPA, the College is obligated to engage in various regulatory activities including registration, complaints and discipline, fitness to practise, quality assurance, sexual abuse prevention, setting and communicating standards of practice, communicating to the profession and the public, and being a transparent source of regulatory information (such as through the Public Register). In addition, the Ministry of Health has implemented a College Performance Measurement Framework which indirectly imposes additional obligations on the College, including transparency, good governance, and advancing diversity, equity, and inclusion.

Most of those regulatory activities have a high legal component such as requirements for procedural fairness, respecting human rights, as well as transparency, objectivity, impartiality, and fairness. Most College regulatory activities have statutory appeal and review mechanisms, including to the Health Professions Appeal and Review Board, to the Divisional Court, and scrutiny by the Office of the Fairness Commissioner. There is also indirect external accountability such as to the Minister of Health, the Human Rights Tribunal, and judicial review to the courts.

Failing to perform its functions well will increase the expenses of the College. For example, an appeal or review of a complaints or discipline decision typically results in significant costs and expenses.

These obligations and accountabilities are mandatory, and the Minister of Health has the authority to appoint a supervisor to take over the administration of the College if it is not performing its duties or if it is not financially responsible. This has been done at least once in Ontario under the RHPA.

As a practical matter, the College is funded through registration fees for new members and annual fees of registrants. The College has been in a deficit position since 2021 and has projected increasing deficits in future years, which is unsustainable. It has been fourteen years since the last fee increase.

Under the RHPA, it is the responsibility of Council to ensure that the College has the resources to fulfill its statutory mandate. Fees can only be increased by amending the College's by-laws under s. 94 of the Health Professions Procedural Code. Before amending the fees by-laws, the proposed amendments must be circulated for comment to the profession and system partners for at least 60 days.

Options

In making a decision about increasing fees, Council should consider all options. College staff, the Finance and Audit Committee, and Council itself (especially through the budget approval process) have considered cost-cutting measures that would not compromise its statutory mandate. For example, the College has moved to a virtual workplace and is not planning to renew its lease when it expires. The College continues to seek options for sub-leasing in the meantime.

Council and the Finance and Audit Committee should also consider whether there are any “unforeseen consequences” to its decision. For example, what would the impact of a fee increase be on health human resource planning? For example, if significant numbers of registrants withdraw from the workforce, not only will the health care system be affected but revenue to the College will decline. The College is constantly reviewing its registration practices and requirements to reduce barriers to entering the profession. A staggered approach to fee increases, versus one large increase, may help address these issues.

Communication

As noted in the December 6, 2024, Council meeting, registrants have expressed their concerns about the impact of a large fee increase given current financial realities. There were also questions about why the College allowed its financial status to reach this point before taking action. As communicated at the December 6, 2024, Council meeting, the College had historically taken a different approach to fees to only increase when the College’s situation financially necessitated it, instead of a gradual approach as now proposed. The consultation also revealed potential role confusion regarding the College and, accordingly, it was communicated at the October 9, 2024 and December 6, 2024 Council meetings, as well as other College publications, that the primary mandate of the College is to protect the public. The current context and discussions regarding fees provide an opportunity for the College to communicate on these topics, especially as the profession is more closely attuned to the College’s actions at this time.

Monitoring and Review

As with all significant decisions, Council should monitor its implementation to assess its effectiveness, identify emerging issues, and decide whether modification is necessary. Even where monitoring indicates no unexpected developments, the decision should be periodically reviewed to assess whether any changes are indicated.

Recommendation

On the advice of the Finance and Audit Committee, and in consultation with the independent auditor, it is recommended:

- That the proposed amendments to s. 26 of By-law 60, to come into effect on September 1, 2025, attached, be approved for circulation to registrants and system partners.
- That College staff be directed to prepare and implement strategies for communicating to the profession and system partners on the issues raised in this briefing note.
- That College staff continue with ongoing fee review processes and report back six months and one year after any fee increase takes effect along with any suggested modifications for the consideration of the Finance & Audit Committee and Council.